

1 AN ACT regarding schools.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The Property Tax Code is amended by changing
5 Section 18-185 as follows:

6 (35 ILCS 200/18-185)

7 Sec. 18-185. Short title; definitions. This Division 5
8 may be cited as the Property Tax Extension Limitation Law.
9 As used in this Division 5:

10 "Consumer Price Index" means the Consumer Price Index for
11 All Urban Consumers for all items published by the United
12 States Department of Labor.

13 "Extension limitation" means (a) the lesser of 5% or the
14 percentage increase in the Consumer Price Index during the
15 12-month calendar year preceding the levy year or (b) the
16 rate of increase approved by voters under Section 18-205.

17 "Affected county" means a county of 3,000,000 or more
18 inhabitants or a county contiguous to a county of 3,000,000
19 or more inhabitants.

20 "Taxing district" has the same meaning provided in
21 Section 1-150, except as otherwise provided in this Section.
22 For the 1991 through 1994 levy years only, "taxing district"
23 includes only each non-home rule taxing district having the
24 majority of its 1990 equalized assessed value within any
25 county or counties contiguous to a county with 3,000,000 or
26 more inhabitants. Beginning with the 1995 levy year, "taxing
27 district" includes only each non-home rule taxing district
28 subject to this Law before the 1995 levy year and each
29 non-home rule taxing district not subject to this Law before
30 the 1995 levy year having the majority of its 1994 equalized
31 assessed value in an affected county or counties. Beginning

1 with the levy year in which this Law becomes applicable to a
2 taxing district as provided in Section 18-213, "taxing
3 district" also includes those taxing districts made subject
4 to this Law as provided in Section 18-213.

5 "Aggregate extension" for taxing districts to which this
6 Law applied before the 1995 levy year means the annual
7 corporate extension for the taxing district and those special
8 purpose extensions that are made annually for the taxing
9 district, excluding special purpose extensions: (a) made for
10 the taxing district to pay interest or principal on general
11 obligation bonds that were approved by referendum; (b) made
12 for any taxing district to pay interest or principal on
13 general obligation bonds issued before October 1, 1991; (c)
14 made for any taxing district to pay interest or principal on
15 bonds issued to refund or continue to refund those bonds
16 issued before October 1, 1991; (d) made for any taxing
17 district to pay interest or principal on bonds issued to
18 refund or continue to refund bonds issued after October 1,
19 1991 that were approved by referendum; (e) made for any
20 taxing district to pay interest or principal on revenue bonds
21 issued before October 1, 1991 for payment of which a property
22 tax levy or the full faith and credit of the unit of local
23 government is pledged; however, a tax for the payment of
24 interest or principal on those bonds shall be made only after
25 the governing body of the unit of local government finds that
26 all other sources for payment are insufficient to make those
27 payments; (f) made for payments under a building commission
28 lease when the lease payments are for the retirement of bonds
29 issued by the commission before October 1, 1991, to pay for
30 the building project; (g) made for payments due under
31 installment contracts entered into before October 1, 1991;
32 (h) made for payments of principal and interest on bonds
33 issued under the Metropolitan Water Reclamation District Act
34 to finance construction projects initiated before October 1,

1 1991; (i) made for payments of principal and interest on
2 limited bonds, as defined in Section 3 of the Local
3 Government Debt Reform Act, in an amount not to exceed the
4 debt service extension base less the amount in items (b),
5 (c), (e), and (h) of this definition for non-referendum
6 obligations, except obligations initially issued pursuant to
7 referendum; (j) made for payments of principal and interest
8 on bonds issued under Section 15 of the Local Government Debt
9 Reform Act; and (k) made by a school district that
10 participates in the Special Education District of Lake
11 County, created by special education joint agreement under
12 Section 10-22.31 of the School Code, for payment of the
13 school district's share of the amounts required to be
14 contributed by the Special Education District of Lake County
15 to the Illinois Municipal Retirement Fund under Article 7 of
16 the Illinois Pension Code; the amount of any extension under
17 this item (k) shall be certified by the school district to
18 the county clerk; and (l) made pursuant to Section 17-2.9 of
19 the School Code, whether levied annually or not.

20 "Aggregate extension" for the taxing districts to which
21 this Law did not apply before the 1995 levy year (except
22 taxing districts subject to this Law in accordance with
23 Section 18-213) means the annual corporate extension for the
24 taxing district and those special purpose extensions that are
25 made annually for the taxing district, excluding special
26 purpose extensions: (a) made for the taxing district to pay
27 interest or principal on general obligation bonds that were
28 approved by referendum; (b) made for any taxing district to
29 pay interest or principal on general obligation bonds issued
30 before March 1, 1995; (c) made for any taxing district to pay
31 interest or principal on bonds issued to refund or continue
32 to refund those bonds issued before March 1, 1995; (d) made
33 for any taxing district to pay interest or principal on bonds
34 issued to refund or continue to refund bonds issued after

1 March 1, 1995 that were approved by referendum; (e) made for
2 any taxing district to pay interest or principal on revenue
3 bonds issued before March 1, 1995 for payment of which a
4 property tax levy or the full faith and credit of the unit of
5 local government is pledged; however, a tax for the payment
6 of interest or principal on those bonds shall be made only
7 after the governing body of the unit of local government
8 finds that all other sources for payment are insufficient to
9 make those payments; (f) made for payments under a building
10 commission lease when the lease payments are for the
11 retirement of bonds issued by the commission before March 1,
12 1995 to pay for the building project; (g) made for payments
13 due under installment contracts entered into before March 1,
14 1995; (h) made for payments of principal and interest on
15 bonds issued under the Metropolitan Water Reclamation
16 District Act to finance construction projects initiated
17 before October 1, 1991; (i) made for payments of principal
18 and interest on limited bonds, as defined in Section 3 of the
19 Local Government Debt Reform Act, in an amount not to exceed
20 the debt service extension base less the amount in items (b),
21 (c), and (e) of this definition for non-referendum
22 obligations, except obligations initially issued pursuant to
23 referendum and bonds described in subsection (h) of this
24 definition; (j) made for payments of principal and interest
25 on bonds issued under Section 15 of the Local Government Debt
26 Reform Act; (k) made for payments of principal and interest
27 on bonds authorized by Public Act 88-503 and issued under
28 Section 20a of the Chicago Park District Act for aquarium or
29 museum projects; (l) made for payments of principal and
30 interest on bonds authorized by Public Act 87-1191 and issued
31 under Section 42 of the Cook County Forest Preserve District
32 Act for zoological park projects; and (m) made pursuant to
33 Section 34-53.5 of the School Code, whether levied annually
34 or not; and (n) made pursuant to Section 17-2.9 of the School

1 Code, whether levied annually or not.

2 "Aggregate extension" for all taxing districts to which
3 this Law applies in accordance with Section 18-213, except
4 for those taxing districts subject to paragraph (2) of
5 subsection (e) of Section 18-213, means the annual corporate
6 extension for the taxing district and those special purpose
7 extensions that are made annually for the taxing district,
8 excluding special purpose extensions: (a) made for the taxing
9 district to pay interest or principal on general obligation
10 bonds that were approved by referendum; (b) made for any
11 taxing district to pay interest or principal on general
12 obligation bonds issued before the date on which the
13 referendum making this Law applicable to the taxing district
14 is held; (c) made for any taxing district to pay interest or
15 principal on bonds issued to refund or continue to refund
16 those bonds issued before the date on which the referendum
17 making this Law applicable to the taxing district is held;
18 (d) made for any taxing district to pay interest or principal
19 on bonds issued to refund or continue to refund bonds issued
20 after the date on which the referendum making this Law
21 applicable to the taxing district is held if the bonds were
22 approved by referendum after the date on which the referendum
23 making this Law applicable to the taxing district is held;
24 (e) made for any taxing district to pay interest or principal
25 on revenue bonds issued before the date on which the
26 referendum making this Law applicable to the taxing district
27 is held for payment of which a property tax levy or the full
28 faith and credit of the unit of local government is pledged;
29 however, a tax for the payment of interest or principal on
30 those bonds shall be made only after the governing body of
31 the unit of local government finds that all other sources for
32 payment are insufficient to make those payments; (f) made for
33 payments under a building commission lease when the lease
34 payments are for the retirement of bonds issued by the

1 commission before the date on which the referendum making
2 this Law applicable to the taxing district is held to pay for
3 the building project; (g) made for payments due under
4 installment contracts entered into before the date on which
5 the referendum making this Law applicable to the taxing
6 district is held; (h) made for payments of principal and
7 interest on limited bonds, as defined in Section 3 of the
8 Local Government Debt Reform Act, in an amount not to exceed
9 the debt service extension base less the amount in items (b),
10 (c), and (e) of this definition for non-referendum
11 obligations, except obligations initially issued pursuant to
12 referendum; (i) made for payments of principal and interest
13 on bonds issued under Section 15 of the Local Government Debt
14 Reform Act; and (j) made for a qualified airport authority to
15 pay interest or principal on general obligation bonds issued
16 for the purpose of paying obligations due under, or financing
17 airport facilities required to be acquired, constructed,
18 installed or equipped pursuant to, contracts entered into
19 before March 1, 1996 (but not including any amendments to
20 such a contract taking effect on or after that date); and (k)
21 made pursuant to Section 17-2.9 of the School Code, whether
22 levied annually or not.

23 "Aggregate extension" for all taxing districts to which
24 this Law applies in accordance with paragraph (2) of
25 subsection (e) of Section 18-213 means the annual corporate
26 extension for the taxing district and those special purpose
27 extensions that are made annually for the taxing district,
28 excluding special purpose extensions: (a) made for the taxing
29 district to pay interest or principal on general obligation
30 bonds that were approved by referendum; (b) made for any
31 taxing district to pay interest or principal on general
32 obligation bonds issued before the effective date of this
33 amendatory Act of 1997; (c) made for any taxing district to
34 pay interest or principal on bonds issued to refund or

1 continue to refund those bonds issued before the effective
2 date of this amendatory Act of 1997; (d) made for any taxing
3 district to pay interest or principal on bonds issued to
4 refund or continue to refund bonds issued after the effective
5 date of this amendatory Act of 1997 if the bonds were
6 approved by referendum after the effective date of this
7 amendatory Act of 1997; (e) made for any taxing district to
8 pay interest or principal on revenue bonds issued before the
9 effective date of this amendatory Act of 1997 for payment of
10 which a property tax levy or the full faith and credit of the
11 unit of local government is pledged; however, a tax for the
12 payment of interest or principal on those bonds shall be made
13 only after the governing body of the unit of local government
14 finds that all other sources for payment are insufficient to
15 make those payments; (f) made for payments under a building
16 commission lease when the lease payments are for the
17 retirement of bonds issued by the commission before the
18 effective date of this amendatory Act of 1997 to pay for the
19 building project; (g) made for payments due under installment
20 contracts entered into before the effective date of this
21 amendatory Act of 1997; (h) made for payments of principal
22 and interest on limited bonds, as defined in Section 3 of the
23 Local Government Debt Reform Act, in an amount not to exceed
24 the debt service extension base less the amount in items (b),
25 (c), and (e) of this definition for non-referendum
26 obligations, except obligations initially issued pursuant to
27 referendum; (i) made for payments of principal and interest
28 on bonds issued under Section 15 of the Local Government Debt
29 Reform Act; and (j) made for a qualified airport authority to
30 pay interest or principal on general obligation bonds issued
31 for the purpose of paying obligations due under, or financing
32 airport facilities required to be acquired, constructed,
33 installed or equipped pursuant to, contracts entered into
34 before March 1, 1996 (but not including any amendments to

1 such a contract taking effect on or after that date); and (k)
2 made pursuant to Section 17-2.9 of the School Code, whether
3 levied annually or not.

4 "Debt service extension base" means an amount equal to
5 that portion of the extension for a taxing district for the
6 1994 levy year, or for those taxing districts subject to this
7 Law in accordance with Section 18-213, except for those
8 subject to paragraph (2) of subsection (e) of Section 18-213,
9 for the levy year in which the referendum making this Law
10 applicable to the taxing district is held, or for those
11 taxing districts subject to this Law in accordance with
12 paragraph (2) of subsection (e) of Section 18-213 for the
13 1996 levy year, constituting an extension for payment of
14 principal and interest on bonds issued by the taxing district
15 without referendum, but not including (i) bonds authorized by
16 Public Act 88-503 and issued under Section 20a of the Chicago
17 Park District Act for aquarium and museum projects; (ii)
18 bonds issued under Section 15 of the Local Government Debt
19 Reform Act; or (iii) refunding obligations issued to refund
20 or to continue to refund obligations initially issued
21 pursuant to referendum. The debt service extension base may
22 be established or increased as provided under Section 18-212.

23 "Special purpose extensions" include, but are not limited
24 to, extensions for levies made on an annual basis for
25 unemployment and workers' compensation, self-insurance,
26 contributions to pension plans, and extensions made pursuant
27 to Section 6-601 of the Illinois Highway Code for a road
28 district's permanent road fund whether levied annually or
29 not. The extension for a special service area is not
30 included in the aggregate extension.

31 "Aggregate extension base" means the taxing district's
32 last preceding aggregate extension as adjusted under Sections
33 18-215 through 18-230.

34 "Levy year" has the same meaning as "year" under Section

1 1-155.

2 "New property" means (i) the assessed value, after final
3 board of review or board of appeals action, of new
4 improvements or additions to existing improvements on any
5 parcel of real property that increase the assessed value of
6 that real property during the levy year multiplied by the
7 equalization factor issued by the Department under Section
8 17-30 and (ii) the assessed value, after final board of
9 review or board of appeals action, of real property not
10 exempt from real estate taxation, which real property was
11 exempt from real estate taxation for any portion of the
12 immediately preceding levy year, multiplied by the
13 equalization factor issued by the Department under Section
14 17-30. In addition, the county clerk in a county containing a
15 population of 3,000,000 or more shall include in the 1997
16 recovered tax increment value for any school district, any
17 recovered tax increment value that was applicable to the 1995
18 tax year calculations.

19 "Qualified airport authority" means an airport authority
20 organized under the Airport Authorities Act and located in a
21 county bordering on the State of Wisconsin and having a
22 population in excess of 200,000 and not greater than 500,000.

23 "Recovered tax increment value" means, except as
24 otherwise provided in this paragraph, the amount of the
25 current year's equalized assessed value, in the first year
26 after a municipality terminates the designation of an area as
27 a redevelopment project area previously established under the
28 Tax Increment Allocation Development Act in the Illinois
29 Municipal Code, previously established under the Industrial
30 Jobs Recovery Law in the Illinois Municipal Code, or
31 previously established under the Economic Development Area
32 Tax Increment Allocation Act, of each taxable lot, block,
33 tract, or parcel of real property in the redevelopment
34 project area over and above the initial equalized assessed

1 value of each property in the redevelopment project area. For
2 the taxes which are extended for the 1997 levy year, the
3 recovered tax increment value for a non-home rule taxing
4 district that first became subject to this Law for the 1995
5 levy year because a majority of its 1994 equalized assessed
6 value was in an affected county or counties shall be
7 increased if a municipality terminated the designation of an
8 area in 1993 as a redevelopment project area previously
9 established under the Tax Increment Allocation Development
10 Act in the Illinois Municipal Code, previously established
11 under the Industrial Jobs Recovery Law in the Illinois
12 Municipal Code, or previously established under the Economic
13 Development Area Tax Increment Allocation Act, by an amount
14 equal to the 1994 equalized assessed value of each taxable
15 lot, block, tract, or parcel of real property in the
16 redevelopment project area over and above the initial
17 equalized assessed value of each property in the
18 redevelopment project area. In the first year after a
19 municipality removes a taxable lot, block, tract, or parcel
20 of real property from a redevelopment project area
21 established under the Tax Increment Allocation Development
22 Act in the Illinois Municipal Code, the Industrial Jobs
23 Recovery Law in the Illinois Municipal Code, or the Economic
24 Development Area Tax Increment Allocation Act, "recovered tax
25 increment value" means the amount of the current year's
26 equalized assessed value of each taxable lot, block, tract,
27 or parcel of real property removed from the redevelopment
28 project area over and above the initial equalized assessed
29 value of that real property before removal from the
30 redevelopment project area.

31 Except as otherwise provided in this Section, "limiting
32 rate" means a fraction the numerator of which is the last
33 preceding aggregate extension base times an amount equal to
34 one plus the extension limitation defined in this Section and

1 the denominator of which is the current year's equalized
2 assessed value of all real property in the territory under
3 the jurisdiction of the taxing district during the prior levy
4 year. For those taxing districts that reduced their
5 aggregate extension for the last preceding levy year, the
6 highest aggregate extension in any of the last 3 preceding
7 levy years shall be used for the purpose of computing the
8 limiting rate. The denominator shall not include new
9 property. The denominator shall not include the recovered
10 tax increment value.

11 (Source: P.A. 91-357, eff. 7-29-99; 91-478, eff. 11-1-99;
12 92-547, eff. 6-13-02.)

13 Section 10. The School Code is amended by adding Section
14 17-2.9 as follows:

15 (105 ILCS 5/17-2.9 new)

16 Sec. 17-2.9. Energy tax levy. If the utility costs in any
17 given fiscal year of a school district having a population of
18 less than 500,000 inhabitants are estimated to exceed by at
19 least 20% the average annual utility costs for the 3
20 preceding fiscal years, then the school board may levy, upon
21 all taxable property of the district, an energy tax
22 sufficient to produce, when extended, the amount by which the
23 district's estimated utility costs for the fiscal year exceed
24 120% of the average annual utility costs for the 3 preceding
25 fiscal years. The utility cost figures shall be prepared by
26 the district auditor and included on the audit report to the
27 district. The figures from the auditor shall include the
28 district's total estimated costs for both electricity and
29 natural gas. The figures shall accompany the energy tax levy
30 request made by the district in December as part of the
31 annual district levy request to the county clerk.